Women Entrepreneurship: A Study of the Relationship between Motivation and Type of Business Ownership

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The role assigned to entrepreneurship for economic growth and development especially in the developed economies such as USA, Britain, Japan, Canada and others made most developing economies including Nigeria to adjust their developmental concept and plan and see new enterprise development as very vital to their economic problems. As a result, women entrepreneurs have been seen as important construct in entrepreneurial development. However, more important is the understanding of the relationship between the factors that motivate women into entrepreneurship and their choice of business ownership. This paper is therefore focused on examining this phenomenon.

Data for analysis was obtained from the women lists compiled by the Nigerian Chamber of Commerce, Industry, Mines and Agriculture, Nigerian Association of Small and Medium Enterprises and other associations of Nigerian Women in business. Model of correlation coefficient was used to analyze the data from the primary source through the instrument of questionnaire. The findings of the survey showed that there is significant relationship between entrepreneurial motivation and women choice of business ownership. Recommendations for policy making were offered based on these findings.

Key words: Entrepreneurship, economic growth, motivation, developed economies, developmental concept.

INTRODUCTION

According to Schumpeter [1] and Josiane [2], entrepreneurship is the engine of economic growth and wheel that pedal the vehicle of economic development. Culkin and Smith [3]; Peacock [4]; Wang et al. [5] affirmed that its importance has been recognized in the area of job creation, revenue generation, poverty alleviation, wealth creation and as the driver of economic growth. The concept of entrepreneurship is now identified by Josiane [6] as the central element in the theory of economic development which makes up the largest business sector in economies. It has been recognized as a process that involves willingness to rejuvenate market offerings, innovation, risks taking, trying out of new and uncertain products, services, markets and being more proactive than competitors towards exploring new business opportunities, entrepreneurship needs to be evaluated in terms of the involvement of the female gender in its operation [7-8].

Considerable researches have examined the influx of the female gender in business activities, particularly those reported to have particular type of enterprise peculiar to their motive(s) for venturing into the business. This has been observed to have affected their perception, understanding and definition of the concept and meaning of business success and enterprise development [10]. This paper is therefore aimed at examining the relationship between women entrepreneurial motivation and their choice of business type. To achieve this objective, the following questions are addressed. What motivates women into business? Do the factors that motivate them into business determine their choice of entrepreneurial type? At what level of their business stage does this factor no longer count? To address these questions, this research work is structured in such a way that it has introduction, literature review, research methods, data analysis, conclusion and recommendations.
options are either absent or unsatisfactory [20]. Their study also revealed that women who are extrinsically motivated are found more in opportunity entrepreneurship which estimate the number of women who choose to start their own business as one of several desirable career options. Brunstein and Maier's [30] study reported that entrepreneurs that were intrinsically motivated usually end up with either micro or small enterprises while entrepreneurs that were extrinsically motivated usually start with either medium or large enterprise.

GEM [29] also revealed that the choice of entrepreneurship ownership among women across the 37 GEM countries differ extensively by different motivational factors ranging from political, social, cultural to economical factor. Their report showed that country-specific characteristics determine the differences in prevalence way and manner that women choose the type of enterprise they want to be identified with. Some other factors reported by [29] in terms of the patterns of motivation and entrepreneurial type among women are class, income and age. Women that are regarded as 'low and medium' class women are more likely to start micro and small enterprises because they are intrinsically motivated into business while women who are known as 'high' class women are extrinsically motivated and are found in large enterprises. Women who have low income and savings are found in small enterprises while women who have high income are found in large enterprises [20]. On the other hand, women who are in their early and middle age are usually intrinsically motivated and are found more in small firms while women who are in their old age are usually extrinsically motivated and are likely to be found in large enterprises [30].

Figure 1 shows that there is relationship between motivational factors and women entrepreneurs’ type of business ownership. The model shows that women that are either intrinsically or extrinsically motivated are likely to engage in a particular type of business. This confirmed the recent report commissioned by the OECD [31] reported that women that are being driven into entrepreneurship by the necessity arising from poverty, lack and want are closer to being lifestyle or vocational entrepreneurs. Women that are intrinsically motivated into entrepreneurship are usually found in sole trade and partnership type of business ownership. On the other hand, women that are extrinsically motivated are usually regarded as opportunistic women and are usually found in joint venture and limited liability companies and therefore closer to being growth-oriented women entrepreneurs.

**METHODOLOGY**

**Sample Size**

To carry out this study, five hundred and seventy (570) women entrepreneurs were selected from three different states in the South West Nigeria (Lagos, Ogun and Oyo State). These states which were used as the population of the study were purposively selected out of the six states in the south-west Nigeria [32]. A random method was adopted in selecting the women used as the respondents of this study from a list of women entrepreneurs drawn from documents made available by the Nigerian Chamber of Commerce, Industry, Mines and Agriculture (NACCIMA), and other associations of Nigerian Women in business and entrepreneurship.

**Measurement of Variables**

The activities of women entrepreneurs were captured using some demographic items such as state of origin, age, marital status, nature of their business, business structure and other variables. Questionnaire was used to obtain the necessary data required for this study. The use
than one year in their family business, 386(91.3%) had between one to three years working experience in their family business while 204(4.7%) of them had four years and above working experience in their family business.

Motivation and Entrepreneurs' Type of Business Ownership

Table 2 identifies motivation for choice of business among women entrepreneurs. The strongest of the items is "I chose this type of business because it is the type of business most people around me do" which has a mean score of 4.7729 and standard deviation of 1.78561. No wonder, environmental factor was identified as one of the motivational factors that have the highest correlation coefficient with type of business ownership. This is followed by "I chose this type of business because it will enable me to achieve self independence"; this has a mean score of 4.0835 and a standard deviation of 1.04961. Need for independence was equally as given as one of the reasons (a pull factor) why many women under this survey go into business. The third is family issue with a mean score of 3.9164 and standard deviation of 1.05574. This is not surprising because women usually consider their family as an important factor in most of their activities. Other factors (in the order of their rating) that motivated women into choosing their type of business ownership are; the quality of life of the respondents which has a mean score of 3.8196 and standard deviation of 1.98031; the peculiarity of business to women with a mean score of 3.6906 and standard deviation of 1.02382; possession of personal characteristics required for the business with a mean score of 3.6019 and standard deviation of 1.27462; issue of convenience which has a mean score of 3.6050 and standard deviation of 1.23654; easy registration process with a mean score of 3.5552 and standard deviation of 1.45999; "because the business required less capital to start" with a mean score of 3.4907 and standard deviation of 1.02382; then gender issues (to prove that they can do what any man can do) with a mean score of 3.3819 and standard deviation of 1.07501; easy registration process with a mean score of 3.36019 and standard deviation of 1.25789; and registration process with a mean score of 3.1180 and standard deviation of 1.07501; "because the business required less capital to start" with a mean score of 3.0625 and standard deviation of 1.27462.

RESULTS

Table 2 shows that motivational factors determine women entrepreneurs' type of business ownership. From Table 3, it is apparent that the null hypothesis which stated that motivational factors do not determine women entrepreneurs' type of business ownership is not
entrepreneurial motivation and the type of business ownership. Different types of entrepreneurs were looked at in relation with women entrepreneurial motivation. The result of the hypothesis shows that positive relationship exists among the motivational factors (which include; family influence, psychological factors, financial and environmental factors) and these have positive relationship with women entrepreneurial type of business ownership. However, it was discovered that among these independent variables environmental factor seems to command the highest influence on the type of business ownership among the women entrepreneurs under the survey of this study.

Recommendations

Based on the results of this study, the following recommendations are made for policy implementation; (i) Women should choose the entrepreneurial type that will enable them to maximize their business objective, not just because their friends and relations are doing the same type of business, (ii) irrespective the factor(s) that motivate women into business, they should learn to set their business objectives based on their available resources, (iii) Finance as an important factor must be considered by women entrepreneurs while trying to choose their entrepreneurial type. This can help to reduce the disappointment and frustration that might result from looking into the government and financial institutions for loan and other financial assistance. (iv) Women entrepreneurs should start with businesses that have growth potentials for growth and endeavor to adopt business strategies that encourage business growth. (v) Since environmental is an important motivational factor in business, women entrepreneurs should engage in activities that will expose them to learn more about business and its environment. This is help to enhance their business growth. (vi) It is not enough to desire to own a business or entrepreneurial venture, women must also consider their traditional role and responsibility and choose businesses that will help to combine their family and business roles. (vii) In choosing their entrepreneurial type, women should consider their personal characteristics, skills and potential rather than trying to compete with their men counterparts.

References

[8] Mansor N. Women in Business: Determinants for Venturing in Malaysian SMEs. 2005; www.thi.ssb.ch/posiluty/articles/women/5_6. Indicate the date that you received the data
Women Entrepreneurial Motivation

Hirsch and Peter [11] in their work classified women entrepreneurial motivational factors into antecedent, triggering and enabling factors or positive, negative and supportive factors. While positive factors are those antecedent factors that have to do with desire for entrepreneurial aspirations such as to be one’s own boss, independence, desire to achieve growth etc., negative factors have to do with those triggering tendencies that force women into business such as discrimination in the labour market, lack of alternative job opportunity, divorce, death of spouse and so on. Veselainen and Pihkala [12] identified two schools of thoughts as the main factors that determine entrepreneurial action among women. These schools are the environmental and people schools or factors. The environmental factor which is also called ‘circumstantial approach’ emphasizes more on the issues of cultural and structural conditions of the local environment of women, such as government institutions, legislation, financial, family and community support [13] while the people factor which is also called ‘trait approach’ emphasizes more on the entrepreneurial characteristics such as need for achievement [14]; locus of control [15]; tolerance of ambiguity [16]; skill and creativity [17]; and risk taking [18].

Entrepreneurship and Type of Entrepreneurs

Entrepreneurship is a complex and multifaceted phenomenon [19]. Recent changes in the economy and the restructuring of labour markets in terms of employee qualifications, nature of work content and work contracts have raised the profile and importance of entrepreneurship within the global economy which has resulted into different types of entrepreneurs [20]. To ensure adequate development and competitiveness in entrepreneurship, the recognition of different types of entrepreneurs is necessary so as to entrepreneurial career relate to a particular identity. Classification of entrepreneurs is usually based on different authors and researchers’ views. On this regard, Timmons [16] classified entrepreneurs based on their patterns of behavior, an entrepreneur can also be classified as self-employed, traditional self-employed, growth-oriented, leisure, family-owned and network entrepreneurs [21]. United Nations [9] classified entrepreneurs into growth oriented and subsistence entrepreneurs. The importance of motivation-related variables and entrepreneurial types are reflected in the early attempts of typology development in entrepreneurship [22]. Gartner et al. [23] in relating types of entrepreneurs to motivational variables defined typology development as taxonomy development and a method for identifying the most salient characteristics for differentiating among entrepreneurs as well as describing how each entrepreneurial type behaves.

In recognition of the importance of typological development, different theorists and authors have classified entrepreneurs in different ways. Timmons [16] classified entrepreneurs into craftsman and opportunistic; Vesper [24] classified entrepreneurs into economic, philosophy, business, political, communist and social entrepreneurs. Simpson [25] classified entrepreneurs as conventional, innovators, domestic and radicals. Stanworth and Curran [26], Lafuente and Salas [27]; Veselainen and Pihkala [12] classified entrepreneurs based on different identities as craftsmen and opportunists. Minniti and Arenius [20] classified entrepreneurs into nascent, new, opportunist and necessity entrepreneurs. Most elaborate, United Nations; [9]; and Grasfik [19] classified entrepreneurs into six different types which include; (i) the Self-employed entrepreneur (ii) the traditional Self-employed entrepreneur (iii) the growth-oriented entrepreneur (iv) the leisure entrepreneur or subsistence (v) the family-owner entrepreneur (vi) the network entrepreneur. However, these classifications depend on the motivational factors, gender characteristics and the sector of the economy under consideration. The reason for this is because different motivational factors arise when the type of entrepreneurship is examined in different sectors of the economy in a particular context [28]. In the process of classifying entrepreneurs, GEM [29] categorized and compared two reasons for starting a business. These are: opportunity entrepreneurship (which is defined as perceived business opportunity); i.e an entrepreneur who decides to start a business as one of the several possible career options); and necessity entrepreneurship which is defined as an entrepreneur who sees entrepreneurship as a last resort (i.e an entrepreneur who was compelled to start business because all other options for work are either absent or unsatisfactory [27]. Each of these classifications relates differently to motivational entrepreneurship motivational variables.

Motivation and Entrepreneurial Ownership among Women

Typological studies associated each type of entrepreneurs with different motivational variables. Vesper [24] in his study classified economics, business and capitalist philosophy entrepreneurs as being extrinsically motivated while psychology, politics and communist philosophy entrepreneurs as being intrinsically motivated. Relating entrepreneurial type of ownership to motivation, Minniti and Arenius [20] reported that women who are intrinsically motivated are found more in nascent, new and necessity firms. These types of entrepreneurship estimate the number of women who start their own business because other employment
Table 1. Descriptive statistics of entrepreneurs by sectors and religions n=422.

<table>
<thead>
<tr>
<th>State of Origin</th>
<th>Freq.</th>
<th>Per. (%)</th>
<th>Sectors</th>
<th>Freq.</th>
<th>Per. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lagos</td>
<td>138</td>
<td>32.7</td>
<td>Agriculture</td>
<td>127</td>
<td>30</td>
</tr>
<tr>
<td>Ogun</td>
<td>134</td>
<td>31.7</td>
<td>Manufacturing</td>
<td>55</td>
<td>13</td>
</tr>
<tr>
<td>Oyo</td>
<td>150</td>
<td>35.6</td>
<td>Trade</td>
<td>122</td>
<td>29</td>
</tr>
<tr>
<td>Structure of Businesses</td>
<td></td>
<td></td>
<td>Service</td>
<td>118</td>
<td>28</td>
</tr>
<tr>
<td>Sole ownership</td>
<td>382</td>
<td>91</td>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnership</td>
<td>27</td>
<td>6</td>
<td>Single</td>
<td>146</td>
<td>35</td>
</tr>
<tr>
<td>Joint Stock Company</td>
<td>3</td>
<td>0.7</td>
<td>Married</td>
<td>276</td>
<td>67</td>
</tr>
<tr>
<td>Others eg. Cooperative Society</td>
<td>10</td>
<td>2.3</td>
<td>Education qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14-26</td>
<td>18</td>
<td>4.26</td>
<td>HND/BSc/ MSc</td>
<td>344</td>
<td>82</td>
</tr>
<tr>
<td>27-40</td>
<td>329</td>
<td>77.95</td>
<td>WASE</td>
<td>75</td>
<td>19</td>
</tr>
<tr>
<td>41 and above</td>
<td>75</td>
<td>17.79</td>
<td>Mode of starting the business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td>46</td>
<td>11</td>
<td>Inherited</td>
<td>50</td>
<td>12</td>
</tr>
<tr>
<td>1-4</td>
<td>304</td>
<td>72</td>
<td>Joined husband to start the business</td>
<td>56</td>
<td>13</td>
</tr>
<tr>
<td>4 and above</td>
<td>72</td>
<td>17</td>
<td>How many yrs did you work in your - family business?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature of Business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family business</td>
<td>329</td>
<td>78</td>
<td>Less than one yr</td>
<td>10</td>
<td>2.4</td>
</tr>
<tr>
<td>Non family business</td>
<td>93</td>
<td>22</td>
<td>One – three yrs</td>
<td>386</td>
<td>91.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Four yrs and above</td>
<td>20</td>
<td>4.7</td>
</tr>
</tbody>
</table>


of questionnaire was necessitated so as to enable the respondents to be objective and precise in responding to the research questions. Structured questions in different sections of about one hundred and thirty five (135) items were asked so as to get information on the profile of the women. A five-point Likert- scale that ranges from strongly agree to strongly disagree of point (5 to 1). A statistical model of correlation coefficient was used to determine the level relationship between entrepreneurial motivation and the choice of business ownership among women entrepreneurs. The use of correlation coefficient is important so as to test the relationship between the independent variables with the dependent variable. Variables such as family influence, psychological, financial and environmental factors were used to capture women entrepreneurial motivation while variables such as the nature of the business, the structure of the business, and the class of business were used in measuring the business types.

Survey Results

To analyze the survey results of this study, SPSS (version 12) statistical program was used. Descriptive statistics which include percentage distributions, mean and standard deviation were calculated based on the respondent’s responses for each item on the demographic information of the respondents which include the marital status of the respondents, their business data, motivation, and their entrepreneurial type. Table 1 depicted that out of the 570 questionnaires distributed, 422 or 91.15% of them were retrieved from the respondents and this forms the sample size of this study. Table 1 revealed that 138(32.7%) of the women entrepreneurs under the study are from Lagos State, 134(31.7%) of them are from Ogun State and 150 (35.6%) of them are from Oyo State. It was shown that majority of the businesses owned by women entrepreneurs are in the distribution as 127(30%) in agricultural, 122(29%) in trade, 118(28%) in service and 55(13%) in manufacturing sector. Few of the respondents 18(4%) were at the age range of 14-26; 329(77.95 %) were at the age range of 27-40 while 75(17.79%) were at the age range of 41-above when they started their business. Considering the respondents’ educational background, majority of them, 344(82%) have HND/B.Sc./ M.Sc. certificates while 75(29%) have WASE certificate. Looking at the mode of starting the business, 50(12%) started their business from the scratch, 316(75%) of the respondents either inherited their business or purchased while 56(13%) of them joined their husbands’ business. The survey showed that 329(78%) of the respondents are involved in their family business while 93(22%) are involved in the business that has nothing to do with their family. The data also showed that 10(2.4%) of the respondents put in a period that is less
Table 3. Summary of correlation coefficient between the factors that motivate Nigerian women entrepreneurs and type of business ownership.

<table>
<thead>
<tr>
<th>Variables</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Family</td>
<td></td>
<td>0.68*</td>
<td>0.74</td>
<td>0.66</td>
<td>0.64*</td>
</tr>
<tr>
<td>2. Psychological</td>
<td></td>
<td></td>
<td>0.68*</td>
<td>0.74*</td>
<td>0.55</td>
</tr>
<tr>
<td>3. Financial</td>
<td></td>
<td></td>
<td></td>
<td>0.50*</td>
<td>0.54</td>
</tr>
<tr>
<td>4. Environmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.77*</td>
</tr>
<tr>
<td>5. Type of business</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: P<0.05 (2-tail test)

acceptable. This is because there is a positive relationship between the family, psychology, financial, and environmental factors and the type of business owned by women entrepreneurs under this study. The coefficient result revealed that the strongest influence is the environmental factors with the value of 0.77. This is followed by family influence with the value of 0.64, then the psychological and financial factors with the values of 0.55 and 0.54 respectively.

The highest value of the environmental factor confirmed the results in Table 2 where majority of the respondents entered into business because their friends are doing the same type of business. This confirms the result of the descriptive statistics which revealed that a lot of women under this survey chose their businesses simply because a lot of people around them were doing the same type of business. Family influence as the second highest value among the factors that determine the type of business ownership among women entrepreneurs is an indication that most women under this study are doing their family business or are in partnership with their husbands. The financial factor's least value of 0.54 is an indication that most of the women entrepreneurs under this study did not start their business because they obtained financial assistance or support from government or financial institutions.

DISCUSSION

The research hypothesis was rejected, meaning that motivational factors determine women entrepreneurs' type of business ownership. The two patterns of motivation (intrinsic and extrinsic or pull and push) identified in the literature review seem to have effect on the entrepreneurial types that can be chosen by women entrepreneurs. In other words, irrespective of the factors that motivate women entrepreneurs, they have the opportunity to choose their entrepreneurial activities within an identified type. Different types of entrepreneurship were identified by several researchers. Among the entrepreneurial typological studies are Vesalainen and Pihkala [12]; Timmons [16]; Grafisk [19]; Vesper [24]; and Filliy and Aldag [33]. These researchers supported the typological study of Smith [34] and Braden [35] which classified entrepreneurs as "craftsmen", "opportunists" [34], "caretaker" and "administrator" [35]. While Filliy and Aldag [33] typological study grouped entrepreneurs into three categories; the "craftsmen", "entrepreneur" and "professional". Vesper [24] categorized entrepreneurs into economic, business, philosophy, political and social entrepreneurs. Their research proved the strong relationship between entrepreneurial type and motivational variables. For instance, Vesper [24] associated economics, business and capitalist philosophy entrepreneurs as being extrinsically motivated and psychological, political and communist philosophy entrepreneurs as being intrinsically motivated. Filliy and Aldag [33] related the "craftsman" and the "entrepreneur" to intrinsic motivation and "the professional" to extrinsic motivation. The finding of this study also supported the findings of Taylor [36] and Zellner [37] which identified flexibility, in managing their dual responsibilities and to have a more balanced life as the major factors why women leave paid job to start a type of business (that will be more suitable for them to achieve their dual roles. This seems to be the reason why Ivanovich et al. [38] argued that most women entrepreneurs go into micro, small and medium enterprises as a result of "push factors" in their desire to achieve personal goals or to perform their family roles.

Hence they are more likely to choose the type of entrepreneurship that will give them self-gratification as regards to their intentions for their entrepreneurial action.

This finding is also in agreement with Scott and Twomey’s [39] result which found out that individuals expressing a preference for an entrepreneurial career had been motivated positively by their environment in terms of their perception for their ability to work for long hours; possessed a special skill, and innovation as was required by the type of business involved. Ronsiad [40] looked at individuals who decided to start Home Based Business (HBB) and found family considerations, time commitments and lack of role models as important factors that motivated them to such business. The results of Karim [41]; and Barwa [42] showed that the largest percentage (46 percent) of women entrepreneurs under their study was involved in livestock farming; 15 percent were involved in service, 13 percent in craft/textile, while 26 percent was involved in other kind of business. This indicates that women entrepreneurs were involved in micro, small and medium enterprises because of factors such as availability of the required capital, educational background, parental type of business, special skills and experience. Women assumed that businesses are very easy to start with minimum capital requirement, technical knowledge and skills to match.

Conclusion

The study examined the relationship between women


Ivanovich et al. provide the complete details for this reference and as well ensure to provide the complete names of all the authors.


NOTE

1. Provide the date you retrieved data from the website indicated in reference [6].

2. Provide the date you retrieved data from the website indicated in reference [6].

3. Provide the year of publication as well as page numbers for reference [12].

4. State the full meaning of ILO for reference [13].

5. Provide year of publication for reference [19].

6. Provide the complete details of reference [38].
